GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2273
ANSWERED ON:14.03.2008
DEBT RELIEF TO FARMERS
Appadurai Shri M.

Will the Minister of FINANCE be pleased to state:

(a) whether the Government has recently announced debt relief package for the debt ridden farmers;

(b) if so, the details thereof;

(c) whether Government has fixed any criteria for debt relief to farmers;

(d) if so, the details thereof;

(e) the number of farmers benefited as a result thereof and the total amount involved therein; and

(f) the time by which the above package is to be implemented?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) to (f): In the Union Budget 2008-09, the Government has announced a debt waiver and debt relief scheme for farmers, which covers all agricultural loans disbursed by Scheduled Commercial Banks (SCBs), Regional Rural Banks (RRBs) and Cooperative Banks upto 31st March, 2007 and overdue as on 31st December, 2007. The scheme stipulates complete waiver of all loans that were overdue on 31.12.2007 and which remained unpaid until 29.02.2008 for small and marginal farmers, while there is a One Time Settlement (OTS) scheme for other farmers during the same period. The OTS covers a rebate of 25% against payment of the balance amount of 75%. It has been announced in the Budget 2008-09 that the implementation of the debt waiver and debt relief scheme is to be completed by June 30, 2008.